



W.P. No. 9711 of 2018

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.02.2025

CORAM

THE HON'BLE Ms. JUSTICE R.N.MANJULA

W.P. No. 9711 of 2018

and

W.M.P. No. 11628 of 2018

V.Seenivasagam,
S/o.V.Veeraperumal,
No.6H, Ramaniyam Citadel,
No.1, Panchalaiaimman Koil Street,
Arumbakkam, Chennai-600 106.

... Petitioner

-VS-

1. The Assistant Commissioner of Labour,
Office of Deputy Commissioner of Labour,
Labour Welfare Building, Teynapet, Chennai-6.
2. The Collector of Chennai,
Office of Collectorate, Beach Road, Chennai-600 001.
3. The Thasildar,
Mylapore Taluk, Chennai-600 028.
4. The Tamil Nadu Co-operative Marketing Federation Limited,
Rep. by Secretary, No. 91, St. Marys Road,
Chennai-600 018.

(R4-impleaded as per order dated 22.11.2024
in W.M.P. No. 29966 of 2022 in W.P. No.
9711 of 2018)

... Respondents

Prayer:- Writ Petition filed under Article 226 of the Constitution of India, 1950, praying to issue a Writ of Mandamus, directing the respondents 2 and 3 to initiate proceedings under the Revenue recovery act for the recovery of the



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gratuity amount of Rs.7,89,828/- with 15% compound interest from the date of retirement till the date of payment to the petitioner in terms of the order of the 1st respondent dated 30.11.2015.

For Petitioner : Mr.G.Ravisankar

For Respondents : Mr.T.Chezhiyan, AGP (RR1 to 3)
M/s.B.Arvind Srevatsa

ORDER

Heard Mr.G.Ravisankar, learned counsel for the petitioner and Mr.T.Chezhiyan, learned Additional Government Pleader for the first to third respondents and Mr.B.Arvind Srevatsa, learned counsel for the fourth respondent and perused the materials placed on record, apart from the pleadings of the parties.

2. The petitioner has filed a writ of mandamus seeking direction against the respondents to recover the gratuity amount against the fourth respondent as ascertained by the authority. The gratuity amount payable to the petitioner has been determined as Rs.7,89,828/- on 06.03.2015. However, the amount has not been settled immediately. Hence, the petitioner has filed an application on 30.11.2015 requesting that the second respondent to recover the gratuity amount with 15% compound interest and deposit it in the office of the first respondent.



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In pursuant to the order passed by the second respondent on 15.02.2016 the first

respondent authorized the third respondent to recover the gratuity amount from the fourth respondent by invoking the provisions of the Revenue Recovery Act, but the third respondent has not taken any action so far. A representation has been made to the third respondent also on 16.02.2018.

3. Mr.T.Chezhiyan, learned Additional Government Pleader for the first to third respondents submitted that the third respondent was sending communication to the fourth respondent to settle the gratuity amount payable to the petitioner on several dates and he learns that the petitioner has also got the dues to be settled to the second respondent under surcharges proceedings initiated against him.

4. Mr.Arvind Srevatsa, learned counsel for the fourth respondent submitted that the gratuity amount payable to the petitioner as determined has already been settled and as per second proviso to Section 8 of the Payment of Gratuity Act, the interest amount payable on the gratuity amount shall not exceed the amount of gratuity and hence, the petitioner cannot claim unlimited amount towards interest payable on the gratuity.

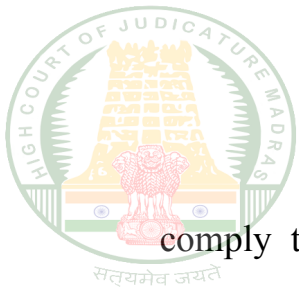


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5. Whatever may be the case, the fourth respondent is liable to settle the admitted and determined gratuity amount along with the interest to the petitioner. If the fourth respondent claims that the petitioner has got a due of Rs.4,12,000/-, it is up to him to initiate appropriate proceedings and that is not the issue before this Court now.

6. As the fourth respondent has admitted his liability to pay the gratuity amount at Rs.7,89,828/- together with interest subject to the second proviso to Section 8 of the Payment of Gratuity Act, the fourth respondent should be given with a suitable direction. In case the fourth respondent commits default to comply the direction, it is up to the third respondent to take coercive steps under the Revenue Recovery Act for recovering the dues to be paid towards the gratuity and interest payable to the petitioner.

7. In the result, this writ petition is allowed and the fourth respondent is directed to pay the gratuity amount as already determined along with interest subject to the limit prescribed under the second proviso to Section 8 of the Payment of Gratuity Act by considering the representation of the petitioner dated 16.02.2018 and pass order of disbursal within a period of two weeks from the date of receipt of a copy of this order. If the fourth respondent fails to



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comply the above order within two weeks' time as stated above, the third

respondent is directed to initiate recovery proceedings under the Revenue Recovery Act within two weeks thereafter. Consequently, the connected Miscellaneous Petition is closed. No costs.

10.02.2025

Index: Yes/No

Index: Yes/No

Internet: Yes/No

Speaking /Non-speaking order

Maya

To

1. The Assistant Commissioner of Labour,
Office of Deputy Commissioner of Labour,
Labour Welfare Building, Teynapet, Chennai-6.
2. The Collector of Chennai,
Office of Collectorate, Beach Road, Chennai-600 001.
3. The Thasildar,
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R.N.MANJULA, J.

Maya

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